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January 31, 1983

Letter Report 096

Honorable Art Agnos
Chairman, and Members of the
Joint Legislative Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

We have reviewed the adequacy of the foster care operations provided by the California Department of the Youth Authority (CYA) for youths under age 18. The objectives of the audit were to (1) determine the types of foster care services offered to CYA parolees under the age of 18; (2) identify the CYA's criteria for selecting facilities, evaluating programs, and ensuring adequate care; and (3) assess the compliance of a sample of foster homes with CYA standards and other requirements.

We found that of the total CYA parole population of about 7,000, 652 were under age 18 as of September 22, 1982. On that date, the CYA's out-of-home placement program was contracting with group and foster homes throughout the State to provide residential services to 48 wards under the age of 18. This number represents 7.4 percent of CYA parolees under the age of 18, and less than 1 percent of the total CYA parole population. During our visits to eight foster care facilities located in northern and southern California, we noted that the facilities appeared to comply with the CYA's proposed facility standards and other legal requirements. The CYA adopted final standards in December 1982. We found no evidence that wards were receiving less than adequate care and supervision at the facilities we visited.

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BACKGROUND

The mission of the California Department of the Youth Authority is to protect society from criminal and delinquent behavior by youths. The CYA's responsibilities are carried out through five operating branches: Institutions and Camps; Parole Services; Prevention and Community Corrections; Planning, Research, Evaluation and Development; and Management Services. We conducted our audit primarily at the Parole Services Branch.

The objective of the Parole Services Branch is to protect the public from further criminal activity by CYA wards and to increase the likelihood of the successful reintegration of these wards into the community. The Parole Services Branch supervises about 7,000 wards through 29 parole units throughout the State. For fiscal year 1982-83, the Parole Services Branch requested a budget of \$25.1 million, which is 10 percent of the CYA's total projected budget.

The major activities of the Parole Services Branch include conducting individual and community assessments on new wards committed to the CYA, supervising and monitoring wards after their release on parole, and protecting the public from further criminal behavior through preventive actions. The Parole Services Branch also coordinates parole services with community agencies, operates two residential programs, and purchases or contracts for residential and support services for wards on parole.

Besides operating two of its own residential programs, the Parole Services Branch also contracts with outside facilities to provide residential care for CYA wards. This program is called "out-of-home placement." Out-of-home placements are normally made when the family home is unavailable or unsuitable, or when a more structured supervised setting is necessary. These placements are also made when professional services such as medical or psychological services are required, or when the parolee does not qualify for services from other public or private agencies. CYA wards in the out-of-home placement program may be placed independently in an apartment or a motel, or in residential facilities such as group homes and foster homes. Wards in independent placements are usually 18 years of age or older. Wards under 18 in the out-of-home placement program are placed in group and foster homes.

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The CYA subsidizes group homes and foster homes under various financial arrangements. The CYA contracts with group homes on an annual basis, and in most cases, the contracts guarantee a minimum monthly fee whether or not CYA wards are in residence. The group home provides room, board, and 24-hour supervision for parolees. The level of care and the cost per placement vary from one home to another. While most group homes provide only room, board, and supervision, others offer a variety of educational, psychological, and employment services.

For foster homes, there are two types of agreements--"regular" and "excess cost." Regular foster home arrangements provide for room, board, supervision, and incidentals (laundry, etc.), and cost up to \$400 per month. Excess cost foster homes provide additional services such as transportation, recreation, minor cash assistance, and some medical services. Because of the additional services, placements in excess cost homes cost more than \$400 per month. Foster home agreements are less formal than group home contracts, and foster homes are used on an individual, as-needed basis and are paid only for actual services rendered.

Table 1 on the following page shows the actual and budgeted costs for out-of-home placement for the entire CYA parolee population. For fiscal year 1982-83, the out-of-home placement budget is \$2,269,300. This figure includes funding for independent placements, contract group homes, and regular and excess cost foster home placements. In fiscal year 1981-82, out-of-home placement services cost \$2,122,362.

TABLE 1

DEPARTMENT OF THE YOUTH AUTHORITY
OUT-OF-HOME PLACEMENT EXPENDITURES
FISCAL YEARS 1981-82 AND 1982-83
(ACTUAL AND BUDGETED)

<u>Type of Placement</u>	<u>1981-82 (Actual)</u>	<u>1982-83 (Budget)</u>
Independent Placement	\$ 317,884	\$ 524,900
Contract Group Home	753,500	813,400
Foster Home--Regular	500,532	473,000
Foster Home--Excess Cost	<u>550,446</u>	<u>458,000</u>
Total	<u>\$2,122,362</u>	<u>\$2,269,300</u>

Source: Financial Analysis Section, Department of the Youth Authority

SCOPE AND METHODOLOGY

The emphasis of this audit was on reviewing the adequacy of the CYA's group and foster home care services for wards under age 18. To review these activities, we interviewed county probation staff, CYA headquarters staff, and CYA parole officers; reviewed CYA policies, procedures, and accounting data; and visited group and foster homes. Because the CYA ward population changes constantly, we elected to review the status of all wards under the age of 18 on a given day (September 22, 1982) to determine where they were placed.

AUDIT RESULTS

The CYA's Parole Services Branch operates the out-of-home placement program that contracts with 11 group homes and numerous foster homes to provide residential care for paroled wards. On the date of our review, the number of wards under the age of 18 who were in residential facilities represented

less than one percent of the entire CYA parolee population. The CYA has recently proposed standards for selecting and evaluating residential facilities for the out-of-home placement program. Based on our observations, the facilities we visited appeared to comply with the proposed standards. We found no instances in which there were significant violations of CYA standards.

Out-of-Home Placements

On September 22, 1982, 652 of approximately 7,000 CYA paroled wards were under age 18. Most of those under 18 years of age, 521, were placed with relatives or friends, while 48 were placed in group or foster homes. Of the remaining 83 wards, 51 were either missing or in custody, 31 were placed out-of-state or in independent placements, and 1 was in a hospital. The group and foster home placements represent 7.4 percent of the total placements for the under 18 age group and less than one percent of the total CYA parole population.

As of October 1, 1982, the CYA had contracted for 78 placement slots in 11 group homes. These slots may be filled an unlimited number of times during the year as wards cycle in and out of the program. During fiscal year 1981-82, the CYA averaged about 92 ward placements per month for wards of all ages in group homes throughout the State. The cost of these placements ranges from \$600 to \$1,200 a month per ward.

The number of foster homes under contract constantly fluctuates because the CYA contracts with these homes on an as-needed basis. For wards of all ages, during fiscal year 1981-82, the CYA averaged about 262 ward placements per month in foster homes throughout the State. Foster home costs range from up to \$400 a month for a regular cost foster home placement to whatever amount over \$400 can be justified for an excess cost placement. For example, in Region III during September 1982, the CYA made 53 excess cost placements at an average monthly cost of \$621 per ward. The monthly cost ranged from \$450 to \$900 per ward.

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Facility Operating Standards

Based on Section 1505 of the Health and Safety Code, group and foster homes used by the CYA are not required to be licensed. However, existing CYA standards and the California Administrative Code require that residential facilities meet certain health and safety standards. These standards describe the personal and health qualifications for foster parents, the use of discipline and the prohibition of corporal punishment, and the requirements for fire and safety inspections. The standards also require regular well-balanced meals, privacy and ample space within the facility, and provisions for emergency medical care.

In 1979, the CYA conducted a study of residential care facilities and recommended that the Parole Services Branch establish a uniform process for selecting and inspecting these facilities. In response to the study, the CYA, in June 1982, issued draft standards for evaluating contract group homes, foster homes, and other residential facilities. The proposed standards cover 8 areas and include criminal record clearance of the residential staff, fire clearance and health requirements, care and supervision, food service, medical and dental care, transportation of wards, and annual evaluation procedures. The CYA adopted standards in December 1982. These standards will be used to evaluate facilities both before placement and on a continuing basis.

Facility Visits

During our fieldwork, we used the CYA's proposed standards to evaluate eight residential facilities in northern and southern California. While we did not conduct an in-depth review, we found that the facilities appeared to comply with the CYA standards. The facilities appeared to be free of hazards to health and safety and were adequately staffed. There was no evidence that standards were not being met or that wards were not receiving sufficient care and supervision.

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Although the facility environments ranged from austere to home-like, we observed good housekeeping standards at all the facilities. With only a few exceptions we judged to be insignificant, emergency telephone numbers and evacuation plans were posted and fire extinguishers were accessible and fully charged. The quality of the physical accommodations ranged from acceptable to excellent. In addition, three of the eight facilities were licensed by the city and county, even though licensure was not required.

According to the CYA parole agents, all facility staff members had criminal record clearances. The persons who provided residential care had varied backgrounds; while some had no formal training, others were licensed social workers.

The facility programs varied from an unstructured home environment to a more structured, institutional setting that provided psychological, educational, and employment services. In addition, each facility had formal house rules that defined the wards' responsibilities, the curfew and meal hours, and the disciplinary action to be taken for failure to comply with the rules.

While there are no specific data on the success rate of out-of-home placements, the parole agents we interviewed stated that placing a ward in a good residential facility increased the ward's chances of returning successfully to society.

CONCLUSION

As of September 22, 1982, the CYA's out-of-home placement program was providing residential services to 48 wards under the age of 18. These 48 wards represented 7.4 percent of CYA parolees in that age group and less than 1.0 percent of the total CYA parole population. The CYA was developing new standards for selecting and evaluating residential facilities and services. Using CYA's draft standards, we evaluated eight residential facilities and found that they appeared to comply with the CYA's proposed standards. Furthermore, we found no evidence that wards were not receiving sufficient care and supervision.

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We conducted our review under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code and in accordance with generally accepted government auditing standards. We limited our review to those areas specifically contained in the audit request.

Respectfully submitted,


THOMAS W. HAYES
Auditor General

Staff: Richard C. Tracy, Audit Manager
Jeffrey L. Mikles
Nancy L. Kniskern

Attachment:

A - Response to the Auditor General's Report
Department of Youth Authority

DEPARTMENT OF YOUTH AUTHORITY



January 20, 1983

Thomas W. Hayes
Auditor General
Office of the Auditor General
660 J Street, Suite 300
Sacramento, CA 95814

Dear Mr. Hayes:

I have reviewed the draft of your Letter Report 096 concerning the Youth Authority's Out-of-Home Placement program for wards under age 18. Except for a few minor recommended changes, the report is acceptable and I believe an accurate reflection of our Out-of-Home Placement program.

The information contained in the report was accurate at the time it was gathered. However, several changes have occurred since then which should be noted in the final report. The recommended changes are as follows:

1. Page 2: California Youth Authority now has four branches rather than five since the Planning, Research, Evaluation, and Development Branch and the Management Services Branch have been combined into one branch, the Administrative Services Branch.
2. The report refers to "proposed" Out-of-Home Placement Standards which were to be adopted in final form in December 1982. These standards have been finalized and approved and are currently being incorporated into our Parole Services Manual.*
3. Page 6, middle paragraph, refers to the proposed standards covering 16 areas. I believe this information was obtained from the original draft dated June 4, 1982. However, we have since modified and condensed our standards to 8 areas: Safety and Sanitation, Living Accommodations, Care and Supervision, Health and Nutrition, Criminal Record Clearance, Non-discrimination, Liability and Insurance, and Semi-Annual Evaluations/Inspections.*

Except for the minor revisions recommended above, I am satisfied with the report.

Should you require any additional information, please advise.

Sincerely,

A handwritten signature in cursive script that reads 'Charles A. Kuhl'.

Charles A. Kuhl
Interim Director

cc: Youth & Adult Correctional
Agency

*The report was changed on page 6 to reflect this comment.